

CASE STUDY: INDUSTRY ASSOCIATION PARTNERSHIP TO DELIVER RENTAL APARTMENT ENERGY RETROFIT PROGRAM

SUMMARY:

With 80% of its 5,000 rental apartment buildings constructed prior to 1970, and little retrofit activity among landlords, the City of Vancouver was looking for an effective approach to help landlords make energy efficiency upgrades to their buildings. Poor uptake of utility company incentives and reluctance to engage directly with the City led to the formation of a partnership with a local association of rental building owners and managers – LandlordBC – to take a multi-faceted approach energy retrofits of rental apartment buildings. The program, called *Operation Co\$t Cutter*, is based on the trusted advisor relationship between LandlordBC and owners, providing objective support to wade through the complexities of building retrofits through the lens of maximizing return-on-investment. The program provides:

- Education on best practices through one-on-one coaching and semi-annual education forums;
- Building walk-throughs and energy assessments;
- Business case analysis of a wide range of energy conservation measures;
- Support for procurement of suppliers and contractors;
- Assistance in securing incentives from utility companies and the City for energy and water efficient equipment

RESULTS:

In its first year of implementation, *Operation Co\$t Cutter* has had multiple successes. 18 buildings comprised of more than 800 units reduced 650 tCO₂e of emissions resulting from a reduction in 12,500 GJ of natural gas. 69% of buildings that received an energy assessment implemented a measure, which included high efficiency space heater and hot water boilers, advanced DDC control systems, re-commissioning of heating and ventilation equipment, pipe insulation, clothes washing machines, direct installation of showerheads and faucet aerators, and high efficiency toilets. Water savings in year-one from the high efficiency water devices and toilets totaled 28 million litres. This model of assistance and the partnership with LandlordBC has now been expanded to the entire province of British Columbia by the natural gas utility company as a result of its success in Vancouver.

REASONS FOR SUCCESS:

There are many barriers to retrofits in rental buildings, most of which are factors that are not possible to address by local governments such as low energy costs, the split incentive created by the building owner paying the utility bill and the tenant controlling heat and hot water and senior government policies that restrict a landlords ability to recoup investment in their property. *Operation Cost Cutter* has been a success because of its ability to directly assist landlords that lack the time and expertise to sort through myriad technical solutions and service providers for an issue of secondary priority for them. Specific ways that the program was able to assist landlords and deliver outcomes include:

- Helping plan for retrofits. Except as required for insurance purposes, landlords do not conduct depreciation reports, building condition assessments, or energy audits. This leads to fixing things as they break/fail.
- The program energy adviser works with landlords' existing contractors, whom they typically trust and have long term relationships.
- Provides independent, third-party advice to help make sense of often contradictory energy efficiency claims of vendors, consulting engineers, and new technologies.
- Translates energy efficiency into business operations language and metrics, Low energy efficiency literacy
- Provides implementation coordination and support, enabling retrofits to happen as most landlords do not have time to project manage and access incentives.